

**Statewide
Budget Reserve Trust Fund**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Surplus Expenditure Plan	90,250,300				
Continuing Appropriation	28,764,800	119,015,100	119,015,100	119,015,100	119,015,100
Total General Fund	119,015,100	119,015,100	119,015,100	119,015,100	119,015,100
TOTAL SOURCE OF FUNDS	119,015,100	119,015,100	119,015,100	119,015,100	119,015,100

The Budget Reserve Trust Fund is the Commonwealth's "Rainy Day Fund." KRS 48.705 provides for deposits to the Budget Reserve Trust Fund from direct appropriations, excess receipts, and unexpended appropriations, up to five percent of actual General Fund revenue receipts. These funds are appropriated and available in the event that actual General Fund revenue receipts during the biennium are not sufficient to meet the General Fund appropriation levels authorized in the budget. These funds are also available as a resource for Necessary Governmental Expenses when there is no General Fund surplus.

The Appropriations Bill (House Bill 267) enacted by the 2005 Regular Session of the General Assembly decreased the balance of the Budget Reserve Trust Fund from \$50,764,800 to \$28,764,800 in FY 2005. The Budget Reserve Trust Fund had previously been reduced by \$4,000,000 by Budget Reduction Order 04-01.

Policy

The Governor exercised the maximum authority provided under the General Fund Surplus Expenditure Plan by allocating \$90,250,300 from the \$214 million General Fund surplus at the end of fiscal year 2005 to the Budget Reserve Trust Fund. This raised the amount in the Budget Reserve Trust Fund to \$119,015,100. This amount represents 1.5 percent of enacted fiscal year 2006 revenues.